1 > AUG 1963

MEMORANDUM FOR: Director of Central Intelligence

THROUGH

: Deputy Director (Support)

SUBJECT

: National Communications System

- 1. This memorandum is for Director of Centeral Intelligence action. Action is required in connection with paragraph 7.
- 2. During November 1962 the Subcommittee on Communications of the Executive Committee of the National Security Council recommended that a National Communications System (NCS) be established to correct deficiencies found in U. S. Government national security communications systems. During this same month, the Bureau of the Budget sought the comments of this Agency on a proposed National Security Action Memorandum (NSAM) which would establish such an NCS. By letter dated 29 November 1962, the DCI advised the Bureau of the Budget of Agency views regarding participation in establishment of an NCS. A copy of this letter is attached as Tab A.
- 3. On 11 July 1963 NSAM 252 was signed by Mr. McGeorge Bundy and issued to concerned agencies. This NSAM directs the establishment of an NCS and designates the Secretary of Defense as Executive Agent. On an interim basis the President's Special Assistant for Science and Technology (Dr. Jerome Wiesner) is assigned the duties of Special Assistant to the President for Telecommunications. A copy of this NSAM is attached as TAB B.
- 4. By letter dated 6 August 1963, The Secretary of Defense advised the DCI of his plans for implementing NSAM 252. Essentially, due to similarities of functions, the Secretary of Defense intends to rely heavily on the services of the Director of the Defense Communications Agency (Lt General Alfred D. Starbird). A copy of this letter is attached as TAB C.

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- 5. Representatives of this Office have met with General Starbird during the past few weeks and since I August have had a Communications representative working in office space within the DCA Headquarters building. As a consequence some security problems were identified and a letter sent to General Starbird proposing solutions. General Starbird accepted these solutions and suggested that a copy of this letter be sent to the Secretary of Defense.
- 6. As a preliminary result of liaison with DCA, it appears that this Agency, as a participant in the NCS, will probably be tasked to perform a communications function similar to that which it is now performing although it appears quite logical that it may be asked to upgrade its services in keeping with national responsibilities. It is too soon to specifically predict what effect this upgrading of services will have on the Agency, but in general it is believed that a quote from the Director's reply to Mr. Staats' letter of 28 November 1962 will apply:

"It should be recognized that Agency participation in the program will result in an increase in personnel and fund requirements since the basic proposal involves an upgrading of communications services on a national level not solely related to the needs of CIA."

7. It is recommended that the attached reply to the Secretary of Defense (TAB D) be signed and forwarded.

Director	of	Communications

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Attachments: 4

Tabs A, B, C and D

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29 Nev 1962

Honorable Elmer B. Staats Deputy Director Bureau of the Budget Washington 25, D. C.

Dear Mr. Steats:

I have your memorantum of 26 Nevember 1962 concerning the proposed National Security Action Memorantum which would establish the general organizational mechanism for continuing the development of a Mational Communications System (NCS).

As you are aware, the Central Intelligence Agency has in being a world-wide system which is keyed to meet the rapid, reliable and secure communications requirements of national intelligence collection. In addition, this system fully meets unique Agency useds encountered in the cenduct of clandestine operations. Of particular importance to this Agency is the privacy of communications afforded in the present system which permits the Director of Central Intelligence to discharge his statutory responsibility for the protection of intelligence sources and methods from unauthorized discharges as provided in Section 102(d)(3) of the National Security Act of 1947, as amended,

I concur in principle in the desirability of establishing the proposed organisational mechanism and in the concept and objectives of the proposed NCS with the proviso that the NCS enhance, not degrade, the communications capability currently available to this Agency and not impair the security of the communication system. I believe that the CIA can contribute to the national effort in this instance and it is my desire that representatives of this Agency participate in the development and management of the NCS.

In assessing this Agency's ability to contribute and participate, it should be recognized that a significant portion of Agency communications assets are utilised in direct support of claudautine operations and thus are not available for

inclusion in the NCS. Also, it should be recognized that Agency participation in the program will result in an increase in personnel and fund requirements since the basic proposal involves an upgrading of communications services on a national level not solely related to the needs of CIA.

Sincerely,

/s/ John A. McCone

John A. McCone Director

CONCURRENCE:

Signed 28 November 1962

L. K. White

Deputy Director (Support)